



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 5

77 WEST JACKSON BOULEVARD

CHICAGO, IL 60604-3590

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6/22/93

June 22, 1993

REPLY TO THE ATTENTION OF:

HSM-9J

William Bradford, Chief
Superfund Section
Environmental Response Division
Michigan Department of Natural Resources
P. O. Box 30028
Lansing, Michigan 48909

Dear Bill:

I am writing in response to several Cooperative Agreement (CA) applications we received in late May and early June. I want to describe for you the concerns we have over some portions of these applications, and what needs to be done to satisfy our concerns so we can process the funding requests.

For CA #V995339-01, we are requesting additional narrative justification for the funding request for Albion Sheridan. The request would put this site \$10,000 over the maximum funding range, but there is no justification for the additional funds. The Scope of Work in the application consists of two sentences, one of which refers to past activities. The one sentence pertaining to future activity says only that MDNR needs the funds "in order to continue the technical management assistance and community relations at this site for the duration of the RI/FS activity." This statement does not describe what specific kinds of technical assistance MDNR will provide, nor does it explain why this site warrants funds over the maximum amount. The narrative should describe, for instance, what documents and reports will likely be reviewed during the grant period, how much on-site oversight is likely to be asked of MDNR, what meetings are likely to be scheduled, etc. In addition, MDNR should then explain why this site requires funding over and above the normal range--several operable units, complexity (describe in some detail), MDNR will be doing more tasks than normal, etc. On the June 15 conference call, I mentioned that we needed this additional justification. I also repeated this to David Kline.

For CA #V995258, I wanted to confirm that MDNR had agreed that \$25,000, rather than \$40,000, was adequate for Forest Waste. Please let me know. I also wanted to inform you that we will be adding \$10,000 for Ionia to the award for this CA. The Ionia funds are in response to your application of December 29, 1992. Finally, we are putting the request for Springfield on hold. We have asked for revised quarterly reports on Springfield in letters dated January 11 and April 9, 1993, and have not received

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them, nor have we received any explanation of our expressed concerns. One of the major CA concerns regarding Springfield has been to understand how activities and subsequent charges are divided between this CA and the old MSCA (#V005843). At times, it seemed identical activities were being reported, and possibly charged, on both CAs. We have also expressed our concern about the rate of expenditure at the site. Furthermore, the quarterly reports have not always been accurate regarding the award amounts and the end dates. So, until we receive the revised quarterly reports which have been requested, and are satisfied with the explanations, we will not process the Springfield funding request.

Another concern regarding Springfield is the application for CA #V995259-01. Although U. S. EPA has had the lead for some pre-design work in the past, we are no longer performing this activity, so this application cannot be processed. I am concerned about the apparent break down in communication--did we not communicate this information, or did MDNR just get confused? There does seem to be some confusion about award amounts, because our records show previous funding under CA #V005843-01 of \$25,000, and your application states previous funding of only \$15,000. I mentioned this on the June 15 conference call, and MDNR agreed to check out this discrepancy. The final concern related to this application is that we received a quarter 2 progress report for CA #995259-01, although the Springfield site has no funding under this CA. Furthermore, as you know, we cannot make an award for activities performed in the past.

There is only one issue regarding CA #V995261, and that is to clarify the Statement of Work portion of the narrative for U. S. Aviex. The narrative reads as if MDNR will be doing in the future work which has already been completed. This portion of the narrative needs to be revised to specify only that work which will be done in the future, or to somehow distinguish between work done in the past and work to be done in the future. I mentioned this to David Kline during a recent phone conversation.

While I'm discussing CA applications, I want to try to clarify what we expect in the application for future reference. All applications must contain a justification for the funding request, whether or not the funding amount puts the site over the maximum in the policy. Those sites which are over the maximum need additional justification which describes why we should make an exception to our policy. We do not consider one sentence general statements a justification, even for requests within the funding range. Consequently, in the future, we will not process applications if we think there is no justification or that it is totally inadequate. For example, in your pending application for CA #V005258-01, the justifications for both Anderson and Forest Waste consist of one sentence pertaining to future, proposed activity. This is unacceptable. The standard narrative needs to

describe what operable unit the work relates to, if applicable, which documents will be reviewed, what meetings are anticipated, what kind of liaison work will be required, how much on-site work is anticipated, and any other relevant activities. The narrative for sites which are above the funding limit need to provide additional information explaining the circumstances which require more than the normal amount of activity by MDNR, and consequently, more than the normal funding. If site complexity is the reason, then you need to describe what is complex about the site, and identify additional activities which will be performed or describe the increased volume of documents to be reviewed or provide other information affecting MDNR's workload as a result of the site's complexity. It is not sufficient justification to say the site is complex.

I hope I haven't rambled on too much about justifications, but I wanted to attempt to clarify our expectations ahead of your next CA applications, rather than wait until they are received and then say they're not acceptable.

To summarize what's needed for the pending applications, we need additional written justification for Albion Sheridan, and a revised Statement of Work narrative for U. S. Aviex. For Springfield, CA #V995258-01, we need revised quarterly reports explaining how activities were determined to belong to one grant or the other, a clarification of award amounts per CA, and an explanation regarding the quarterly report for a non-existing CA.

If you have any questions about any of my comments, please give me a call.

Sincerely,



Rose M. Freeman
Michigan Project Officer

cc: David Kline
Karen Yeates
Marilou Martin
Bob Whippo